GOVERNMENT OF INDIA
STATISTICS AND PROGRAMME IMPLEMENTATION
LOK SABHA

UNSTARRED QUESTION NO:6826
ANSWERED ON:10.05.2000
DELAYED PROJECTS
PRABHUNATH SINGH

Will the Minister of STATISTICS AND PROGRAMME IMPLEMENTATION be pleased to state:

(a) the quantum of money locked up in disputes over delayed State-run projects alongwith details thereof;

(b) the action taken/proposed to be taken by the Government to hasten the settlement of disputes;

(c) the number of State-supervised projects pending for over 15 years and the action taken / proposed to be taken in the matter; and

(d) the action proposed to be taken against those found guilty in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND MINISTER OF STATE OF THE DEPARTMENT OF ADMINISTRATIVE REFORMS PUBLIC GRIEVANCES IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS.

(ARUN SHOURIE)

(a) According to Construction Industry Development Council,the disputed amount locked up in all projects, is of the tune of Rs.52,000 crores over a period of 8-10 years.

(b) To reduce delays in the settlement of disputes, the Arbitration and Conciliation Act of 1940 was amended in January, 1996. In the meantime, the Construction Industry Development Council, an autonomous body under the Planning Commission, have proposed to constitute an Arbitration Committee to hasten the settlement of disputes and the same has been approved by their Board on 15-03-2000. The matter is to be considered by the Government.

(c) There are 1 8 projects in the Central Sector which were approved 15 years ago. The original cost of these projects was Rs.2,064.24 crores and their now anticipated cost is Rs.10,686.3 crores. The cumulative expenditure on these projects till date is Rs.5,444.4 crores.

The Government has in place a system of monthly monitoring of major and mega projects. and quarterly monitoring of all projects including medium projects.

(d) Standing Committees have been set up in concerned administrative Ministries to go into the causes of time and cost overruns for projects costing Rs.50 crores and above and to fix responsibility for time and cost overruns. The Reports of these Committees form part of the notes for revised cost estimates of the projects with time and cost overruns and the same are submitted to the Cabinet Committee on Economic Affairs.